

CENTRAL INTELLIGENCE AGENCY

7 December 1955

STAFF MEMORANDUM NO. 85-55
SUBJECT: The Situation in Laos

Note: This memorandum was prepared before the request for a special estimate on Laos was received. The Staff feels that the memorandum may still serve a useful purpose as a preliminary briefing paper for the Board.

1. The Geneva Agreements of 1954 proclaimed the territorial integrity of Laos and recognized the sovereignty of the Royal Laotian Government. The Agreements provided, however, for the grouping of Pathet Lao fighting units in the two northern provinces of Phong Saly and Sam Neua, pending their reintegration into the national community. The Royal Government also pledged not to permit the introduction of foreign troops or bases or to adhere to alliances "so long as its security is not threatened." Although Laos is within the area of the SEATO guarantees, it has not joined the Pact and discouraged US and Thai suggestions in the spring of 1955 that SEATO consider the Laotian situation.

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- 2. Following the regroupment of Pathet Lao units in the fall of 1954, the Royal Government sought by direct negotiations with the Pathet Lao to secure entry for and recognition of Government administrators in the northern provinces. At the same time the Government attempted to increase the strength of its armed forces in the area. The Pathet's denied Royal jurisdiction in the north and frequent armed clashes occurred as the Pathets sought to maintain a secure base.
- 3. Partly because of Premier Katay's belief that the Pathets could be persuaded to cast off their Vietminh leadership and return to the fold, partly because of pressure from the ICC, the UK, France, and the US, and partly because of basic military deficiencies, the Royal Government prolonged the political negotiations and continued efforts to arrange an acceptable cease-fire within Sam Neua and Phong Saly.
- however, that political negotiations were fruitless and that the real Pathet Lao objective was the establishment of a secure base for the eventual subversion or overrunning of all Laos. The government finally broke off political negotiations on 10 November 1955 and announced its intention to proceed with national elections in December in all areas under its control. Since that time the Government has increasingly turned its attention to the possibilities of forceful action to re-establish its authority in the north. The influential

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Crown Prince and the Defense Minister appear confident, that with an assured source of air lift, their forces could occupy the administrative centers and main lines of communication throughout Sam Neua and Phong Saly within thirty days. They are encouraged by reports of poor morale among Pathet troops and appear to believe that they have developed a resistance potential among local inhabitants that could add measurably to the effectiveness of operations by the regular forces. Although Government leaders have stated they would not take the initiative in forcing a military showdown, the proximity of rival forces and the frequent minor skirmishes provide ample opportunity for "retaliatory" action.

of Pathet military activity, including the acquisition of some artillery from the Vietminh, which it regards as preparatory for an attack. We have no reports from other sources to confirm or deny these reports, but it is possible that the Pathet intend to attack Royal forces within Phong Saly and Sam Neua in the near future. The objective might be to increase pressure for a resumption of negotiations, or to raise the flagging morals of their own forces. The Communists may also fear an eventual stiffening of the western position in Laos and may desire to consolidate their position before effective measures to bolster the Royal Government can be implemented. Moreover, the Communists may believe that military action would not elicit prompt Western retaliation and would therefore demonstrate to the

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Thai and South Vietnamese that SEATO is an uncertain guarantee against Communist pressure.

6. In the event of major hostilities, the Pathet Lao 6,300 man force in the northern provinces could be quickly augmented by 18,000 Viet Minh troops in the vicinity. The Royal Government would face serious logistic difficulties in major defensive or offensive operations against the Pathet Lao. The Royal Army, which now has about 6,000 of its 26,000 man force in the northern provinces (mostly in the Moung Peune area south of the town of Sam Neua) is still dependent on French advisors for effective operation. It requires air support to supply and transport troops in the northern areas and such support is now dependent on French aircraft that would probably be withdrawn in the event of hostilities. With adequate air support, the Army probably could occupy the main centers in Sam Neua and Phong Saly, but we believe that Vietminh units stationed near the borders would almost certainly intervene and restore the facade of the Pathet position. Although we believe that Vietminh units would be unlikely to advance beyond Sam Neua and Phong Saly, large numbers of Royal troops might be cut-off and captured in these areas. Thus, in the event either of a Pathet or Royal Government offensive, a situation would probably develop in which the Government would feel compelled to request military assistance from the US or SEATO.

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- 7。 The International Control Commission has long encouraged the Royal Government to continue political negotiations with the Pathet in the hopes of avoiding a military showdown. As the prospects for Pathet Leo acceptance of Royal authority and an agreement on terms for Pathet Lao participation in the December national elections have dwindled, the Indian and Canadian members of the ICC have become increasingly reconciled to a de facto partitioning of Laos. The British and French, both of whom are able to influence Lactian leaders, are also strongly opposed to military action by the Royal Government, fearing Vietminh intervention and a possible Lactian appeal to SEATO, They recognize that unless the issue is forced, the Pathet Lao will gradually emerge, with Vietminh aid, as a rival claimant to power over all Laos; but they prefer this more distant threat to the immediate prospect of armed conflict that might force SEATO to intervene or be discredited. The Indians, and to a lesser degree the British, feel that to make an issue of Pathet violation of the Geneva accords would be inconsistent with failure to make an issue of Diem's "failure" to open consultations with the Vietminh. Among all these states there is a prevading desire not to permit the Laos issue to boil over and interfere with prospects for reducing tensions in the Far East.
- 8. Future developments in this situation are by no means clear.

 A serious Pathet Lao effort to drive the Royal troops out of the northern provinces would appear to be inconsistent with general



Communist policy in Asia, but local considerations and a desire to discredit SEATO may prevail. If the Pathets do not attack, it is likely that the Laotian Government will be permaded to temporarize further by pressures from the LCC and by a belief that Pathet Lao morale is declining. We believe, however, that the Vietminh will not permit the Pathet to disintegrate and that the moyal Government will become increasingly impatient with a policy of inaction. Its eventual decision may rest on its ability to obtain reliable air transport from US, Thai, or private sources, and its estimate of Vietminh reactions, and of the likelihood of US or SEATO support.

- the Royal Government from military action. They might believe that Vietminh intervention, if it occurred, would not extend beyond restoration of the Pathet position, and would have consequences no more serious than a policy of inaction. They might even see advantages in forcing the Vietminh to expose their role in the maintenance of the Pathet movement. They could then claim a gross violation of the Geneva Agreements, request the Geneva co-chairman to act to preserve the territorial integrity of Laos, and call upon SEATO or the US for direct military assistance.
- 10. The situation in Laos may well simmer along indefinitely with the Royal Government accepting the de facto partitioning of its territory. Even in this event, developments in the area are likely

have consequences far out of proportion to

to have consequences far out of proportion to the apparent importance of the territory involved. The Thai would tend to feel that failure to suppress the Pathet was due in part to indecision by the US and their concern over Thailand's security would increase. India's acquiescence in the partitioning of Laos would probably be interpreted by the Communists as evidence that Nehru is unwilling to make an issue of gradual Communist advances beyond Vietnam in Southeast Asia. The Communists would also tend to conclude that SEATO was not prepared to act against gradual subversion. In the event the Royal Government employed force and was then driven back by Vietminh intervention the above consequences would be more readily apparent.

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